

OFFICIAL NAME: Grand Duchy of Luxembourg
CAPITAL: Luxembourg
SYSTEM OF GOVERNMENT: Constitutional Monarchy
AREA: 2,586 Sq Km (998 Sq Mi)
ESTIMATED 2000 POPULATION: 399,800



LOCATION & GEOGRAPHY: Luxembourg is a landlocked country in Western Europe. It is bound by Germany to the east, Belgium to the west and France to the south. The country is divided into two distinct geographical regions. (1.) The rugged and fertile woody uplands of the Ardennes in the north which account for 68% of the land area and (2.) the fertile lowlands of the south called Bon Pays that cover 32% of the land area and are cut by deep valleys. Most of the rivers drain into the Sauer which in turn flows into the Moselle River on the eastern border. Major Cities (pop. est.); Luxembourg 75,800, Esch-sur-Alzette 24,000, Dudelange 14,700, Differdange 8,500, Schifflange 6,900 (1991). Land Use; forested 34%, pastures 26%, agricultural-cultivated 23%, other 17% (1992).

CLIMATE: Luxembourg has a temperate and mild climate with cool summers and mild winters, although the northern winters can be severe. The high peaks of the Ardennes in the north shelter the country from the vigorous North Sea winds. Average annual precipitation is around 762 mm (30 inches) with the southwest receiving more rainfall. Average temperature ranges in the capital are from -1 to 2 degrees Celsius (30 to 36 degrees Fahrenheit) in January to 13 to 23 degrees Celsius (55 to 73 degrees Fahrenheit) in July.

PEOPLE: The population considers themselves a distinct ethnic group who account for 73% of the population, although most Luxembourgers are of French, Belgian and German origins. Around 22% of the population are foreigners mainly Portuguese, Italians, French, Belgians and Germans.

DEMOGRAPHIC/VITAL STATISTICS: Density; 147 persons per sq km (382 persons per sq mi) (1991). Urban-Rural; 84.3% urban, 15.7% rural (1990). Sex Distribution; 48.8% male, 51.2% female (1990). Life Expectancy at Birth; 70.6 years male, 77.9 years female (1987). Age Breakdown; 17% under 15, 22% 15 to 29, 23% 30 to 44, 19% 45 to 59, 13% 60 to 74, 6% 75 and over (1989). Birth Rate; 13.0 per 1,000 (1990). Death Rate; 9.9 per 1,000 (1990). Increase Rate; 3.1 per 1,000 (1990). Infant Mortality Rate; 7.3 per 1,000 live births (1990).

RELIGIONS: Mostly Christians with 95% of the population Roman Catholic while 1% are Protestant. Other minorities include Menonites.

LANGUAGES: The national language is French which is used for administrative and media purposes, although German is the written language for commerce and the press, while Letzeburgsche is the native dialect of Germanic origin.

EDUCATION: Aged 25 or over and having attained: N/A. Literacy; literate population aged 15 or over virtually 100% (1990).

MODERN HISTORY - WWII TO 1993: After World War II, in which the country was annexed by the Third Reich in 1942, Luxembourg aligned itself to the Western powers by becoming a founder member of the North Atlantic Treaty Organization (NATO) in 1949 and a member of the European Community (EC). In 1964 Grand Duchess Charlotte abdicated in favor of Prince Jean. In 1984 Jacques Santer became Premier and was re-elected in 1988. In 1990 Luxembourg's banking institutions came under scrutiny after the Bank of Credit and Commerce International pleaded guilty to laundering money from drug trafficking. The Bank was forced to forfeit US \$14 Million in assets in the first federal prosecution of an international bank for conspiring to aid drug trafficking. In 1991 Luxembourg's tax reforms came into effect with lower taxes for individuals and companies while economic growth slowed in principal due to Germany's cost of reunification with domestic interest rates being pushed up as a result of Luxembourg's economic dependence on its main trading partner. On July 2, 1992 the government ratified the Maastricht Treaty on European Union with a 51-6 vote, although the Parliament agreed to negotiate an exemption to provisions that allow other EU member country citizens to vote and stand for office in local elections. Also in July a court ruling delayed a proposed creditor settlement over the failed Bank of Credit and Commerce International from its main shareholder the emirate of Abu Dhabi, UAE. On Oct. 22, 1992 the court agreed to the offer that would see creditors receiving 30-40% of their losses. In June 1993 the government announced a new regulation creating a fund to hold monies seized from drug traffickers and money launders after a Court of Appeals judge had ruled that drug profits worth US \$36 million had to be returned to its owners following a loophole in the previous law. In April 1993 Luxembourg came under increasing pressure from other EU members to implement a withholding tax on savings and investments following the flight of capital to banks in Luxembourg. On June 1, 1993 the EU ministers meeting in Luxembourg approved measures to limit the EU workweek to 48 hours and set standards for paid vacations and workday breaks.

CURRENCY: The official currency is the Euro divided into 100 cents.

ECONOMY: Gross National Product; USD \$14,233,000,000 (1993). Public Debt; USD \$291,120,000 (1993). Imports; LuxF 261,033,000,00 (1993). Exports; LuxF 205,588,000,000 (1993). Tourism Receipts; USD \$286,000,000 (1989). Balance of Trade; LuxF -55,400,000,000 (1993). Economically Active Population; 164,713 or 42.8% of total population (1991). Unemployed; 1.5% (1991).

MAIN TRADING PARTNERS: Its main trading partners are Germany, Belgium, France and other EU countries.

MAIN PRIMARY PRODUCTS: Cattle, Cereals, Dairy, Grapes, Potatoes.

MAJOR INDUSTRIES: Agriculture, Banking, Chemicals, Engineering, Food Processing, Iron and Steel, Metal Products, Wine Making.

MAIN EXPORTS: Chemicals, International Finance Services, Plastics, Rubber Products, Steel and other Metals.

TRANSPORT: Railroads; route length 272 km (169 mi) (1989), passenger-km 276,000,000 (171,498,000 passenger-mi) (1989), cargo ton-km 720,000,000 (493,128,000 short ton-mi) (1989). Roads; length 5,091 km (3,163 mi) (1990). Vehicles; cars 191,588 (1991), trucks and buses 18,775 (1991). Merchant Marine; vessels 2 (1990), deadweight tonnage 5,650 (1990). Air Transport; passenger-km N/A., cargo ton-km 886,062,000 (606,864,000 short ton-mi) (1987).

COMMUNICATIONS: Daily Newspapers; total of 5 with a total circulation of 152,600 (1993). Radio; receivers 240,000 (1994). Television; receivers 134,845 (1991). Telephones; units 214,821 (1993).

MILITARY: 800 (1994) total active duty personnel with 100% army while military expenditure accounts for 0.8% (1993) of the Gross National Product (GNP).